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August 18, 2003

VIA OVERNIGHT DELIVERY

K. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

DOCKET NO.

03-00481

RE: *Columbia Ventures Broadband LLC and CTC Communications Corp.*

Dear Mr. Waddell:

Columbia Ventures Broadband LLC ("CV Broadband") and CTC Communications Corp. ("CTC Communications" and, together with CV Broadband, the "Parties"), through their undersigned counsel, hereby advise the Authority and, to the extent necessary, respectfully request that the Authority grant approval to permit the Parties to consummate a series of transactions through which CTC Communications will emerge from bankruptcy and, immediately after emergence, become an indirect wholly owned subsidiary of CV Broadband and indirect wholly owned subsidiary of CV Broadband's parent, Columbia Ventures Corporation ("CV Corp."). As described below, because the proposed transactions will be completed at the holding company level and will not change the rates, terms or conditions of CTC Communications' services, the proposed transactions will be entirely transparent with respect to services provided to CTC Communications' customers.

Since October 3, 2002, CTC Communications has been operating under the protection of the United States Bankruptcy Code in a case pending in the Bankruptcy Court for the District of Delaware ("Bankruptcy Court"). The transactions described below are expected to provide CTC Communications and its affiliates with access to the capital required to allow those entities to emerge from bankruptcy and thereby ensure that CTC Communications' telecommunications customers will continue to

receive services on an uninterrupted basis. Because the proposed transactions will allow CTC Communications to continue to provide high quality services in Tennessee by allowing CTC Communications to emerge from bankruptcy and resume its earlier growth as a competitor in the Tennessee marketplace, the proposed transactions serve the public interest. In order for CTC Communications to emerge and to eliminate any further erosion of CTC Communications' existing customer base, however, the Parties have an urgent need to complete the proposed transactions as soon as possible. Accordingly, the Parties respectfully request that the Authority grant any necessary approval expeditiously in order to allow the Parties to consummate the proposed transactions as soon as possible.

An original and thirteen (13) copies of this filing are enclosed. Please date stamp and return the enclosed extra copy of this filing in the enclosed self-addressed stamped envelope.

The Parties further state as follows:

I. THE PARTIES

A. Columbia Ventures Broadband LLC

Columbia Ventures Broadband LLC ("CV Broadband") is a limited liability company organized and existing under the laws of the State of Washington with offices located at 16703 S.E. McGillivray Boulevard, Suite 210, Vancouver, Washington 98683. CV Broadband is a wholly owned subsidiary of Columbia Ventures Corporation ("CV Corp."), a Washington corporation also located at 16703 S.E. McGillivray Boulevard, Suite 210, Vancouver, Washington 98683.

As demonstrated below, CV Broadband is well qualified managerially, technically and financially to own and control CTC Communications.

1. Managerial Qualifications

CV Broadband possesses the qualifications necessary to manage CTC Communications and provide competitive telecommunications services throughout the company's service territory.

Mr. Peterson is the owner and Chief Executive Officer of Columbia Ventures Corporation ("CV Corp."), an independent holding company with broad domestic and global interests in telecommunications and other industries. Mr. Peterson is also Manager and President of CV Broadband.

Mr. Peterson has applied his extensive managerial experience to various

industries, most recently to the telecommunications industry. Mr. Peterson is presently a member of the Board of Directors of several telecommunications enterprises, including: Globalstar Australia, a satellite telephony and data services provider offering services throughout Australia; PocketiNet Communications, Inc., a fixed wireless Internet Service Provider serving rural markets in the Pacific Northwest; Og Vodafone, a full-service, publicly traded competitive telecommunications company in Iceland; and, the group of companies making up Hibernia Atlantic, a state-of-the-art fiber optic cable between North America and Europe. Mr. Peterson is also the Manager of Fiberlink, LLC, the owner/operator of a 300-mile dark optical fiber network in and between Spokane, Washington and Coeur D'Alene, Idaho.

Prior to expanding into telecommunications, Mr. Peterson served at different times as the CEO, President or General Manager of various businesses which involved the smelting, extrusion, finishing and fabricating of aluminum, including: Columbia Aluminum Corporation (1987-1996); Columbia Pacific Aluminum Corporation, City of Industry (1989-2000); Modesto (1989-2000); Watsonville (1993-2000); Columbia Aluminum Products, Inc. (1989-2000). Since 1988, Mr. Peterson has served as President of Columbia Extrusion Corporation (n/k/a Columbia Commercial Building Products). During 1997-1998, Mr. Peterson's firm, CV Corp., built Nordural hf, a state-of-the-art aluminum smelter in Iceland. Mr. Peterson currently serves on the Board of Directors of Nordural hf and was the General Manager in 1998-1999 as the smelter was starting up.

Mr. Peterson also currently serves on the Board of Directors of American Capital Strategies, Inc., a NASDAQ-listed company (symbol: ACAS) and the Washington Policy Center, a non-profit think-tank supporting free-market solutions in business and government.

The proposed transactions also contemplate that members of the senior management team of CTC Communications will remain employed by the reorganized company, as more fully described below. Thus, CV Broadband's acquisition of CTC Communications will bring together the experienced management team already in place at CTC Communications with Mr. Peterson's broad and deep experiences owning, managing, developing and growing telecommunications and other domestic and global businesses. Under Mr. Peterson's leadership, this management team is well qualified to manage, operate and expand CTC Communications.

2. Technical Qualifications

CV Broadband possesses the technical expertise to control CTC Communications. As described above, Mr. Peterson, Manager and President of CV Broadband, holds ownership and managerial interests in various domestic and global telecommunications enterprises through CV Corp., CV Broadband's parent. These

enterprises provide a wide array of telecommunications services, including fixed wireless, satellite, dark fiber and transoceanic fiber optic transmission. For each of these enterprises, Mr. Peterson relies on the skill and knowledge of exceptionally trained and highly qualified technical experts.

In managing the technical operations of CTC Communications, Mr. Peterson and CV Broadband will draw upon the skills of CTC Communications' existing team of technical experts led by Russell B. Oliver. Mr. Oliver joined CTC Communications in 1999 as Vice President, Network Operations where he is responsible for the management, maintenance and growth of the company's Integrated Communications Network, PowerPath Network. Prior to joining CTC Communications, Mr. Oliver was the Vice President of Network Systems Integration for Williams Communications ("WilTel"), where he was responsible for NSI operations throughout North America and participated in the selection, acquisition and integration of companies that fit the vision of the Williams Companies. Mr. Oliver has over 16 years of senior level experience in communications, networking, and operations and serves on the Board of Directors of BICSI.

CV Broadband is technically qualified to continue providing the telecommunications services currently provided by CTC Communications and expanding such offerings in the future.

3. Financial Qualifications

In light of the on-going operations of CTC Communications and the ability of CV Broadband to access capital through its parent, CV Corp., CV Broadband has ample financial resources to continue and expand CTC Communications' current operations. Because CV Corp. is privately held, the specifics of its financial resources are confidential. At staff's request, however, the Parties will make financial information available for Authority's review under seal and subject to confidential treatment.

B. CTC Communications Group

CTC Communications is a privately held corporation organized and existing under the laws of the Commonwealth of Massachusetts with principal offices located at 220 Bear Hill Road, Waltham, MA 02451-1101. CTC Communications is a wholly owned subsidiary of CTC Communications Group, Inc. ("CTC Group"), a publicly held Delaware Corporation with principal offices also located at 220 Bear Hill Road Waltham, MA 02451-1101. No entity currently owns a majority of CTC Group's outstanding voting common stock.

In Tennessee, CTC Communications is authorized to resell interexchange

services by virtue of a Certificate of Convenience and Necessity issued to CTC Communications in Case No. 95-02520, on September 12, 1995. Further information concerning CTC Communications' legal and technical qualifications to provide service was submitted with its application for certification with the Authority and is, therefore, a matter of public record. CTC Communications respectfully requests that the Authority take official notice of that information and incorporate it herein by reference. Further information regarding CTC Communications' management team is provided under Section III below.

II. CONTACT INFORMATION

Questions or inquiries concerning this filing may be directed to the following counsel for the Parties:

For CV Broadband:

Jonathan S. Marashlian, Esq.
The Helein Law Group, P.C.
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III. DESCRIPTION OF THE TRANSACTIONS

The Parties propose to complete a series of transactions ("Transactions") whereby CV Broadband will acquire the common stock of CTC Group, as reorganized pursuant to Chapter 11 of the Bankruptcy Code. In order to obtain Bankruptcy Court

approval of and complete the proposed Transactions, CTC Group, CV Corp. and CV Broadband have entered into an Investment Agreement dated as of August 6, 2003 ("Agreement"). The Agreement provides that CTC Group will file and execute a Plan of Reorganization ("Plan") whereby the outstanding stock of CTC Group will be cancelled, debts and obligations of CTC Group and CTC Communications to existing creditors will be treated and discharged under the Plan, and CTC Group will issue new shares of common stock to CV Broadband in return for a total purchase price of thirty-two million dollars (\$32 million).¹ Subsequently, upon consummation of the Plan and Agreement, CTC Group and CTC Communications will emerge from bankruptcy. Immediately following the consummation of the Plan, CTC Group will become a direct wholly owned subsidiary of CV Broadband and CTC Communications will therefore become a wholly owned indirect subsidiary of CV Broadband.²

The proposed Transactions will be completed at the holding company level and consummation of the Transactions will not result in any transfer or assignment of CTC Communications' operating authority or customers or result in a name change by CTC Communications. CTC Communications will continue to conduct its operations in substantially the same manner in which those operations are currently conducted. Immediately after the Transactions are completed, CTC Communications' customers will continue to receive service under the same rates, terms and conditions that currently apply to CTC Communications' services. As a result, the proposed Transactions will be entirely transparent to CTC Communications' customers in terms of the services that they receive.

The proposed Transactions are also not expected to materially change most of CTC Communications' current management team which is expected to continue to oversee CTC Communications' operations both during and after the completion of the Transactions. CTC's senior management team, all of whom except Mr. Peterson currently hold responsibility for overseeing CTC Communications' operations, will consist of exceptionally well-qualified individuals, including:

Kenneth D. Peterson, Jr., Manager & President –

Mr. Peterson is the owner and Chief Executive Officer of Columbia Ventures Corporation and Manager and President of Columbia Ventures Broadband, LLC. Mr. Peterson has extensive experience

¹ A copy of the voluminous Agreement and other bankruptcy court filings will be provided upon request.

² An organization chart illustrating the organizational control of CTC before and after the Transactions is provided as Exhibit A.

managing telecommunications enterprises. He is presently a member of the Board of Directors of several telecommunications companies, including: Globalstar Australia, a satellite telephony and data services provider offering services throughout Australia; PocketiNet Communications, Inc., a fixed wireless Internet Service Provider serving rural markets in the Pacific Northwest; Og Vodafone, a full-service, publicly traded competitive telecommunications company in Iceland; and, the group of companies making up Hibernia Atlantic, a state-of-the-art fiber optic cable between North America and Europe. Mr. Peterson is also the Manager of Fiberlink, LLC, the owner/operator of a 300-mile dark optical fiber network in and between Spokane, Washington and Coeur D'Alene, Idaho. Mr. Peterson graduated with a J. D. degree from Willamette University's College of Law in 1980. He earlier graduated with High Honors from The College of William and Mary and is a member of Phi Beta Kappa.

John D. Pittenger, Executive Vice President, Chief Financial Officer –

Mr. Pittenger joined CTC Communications Corp. in 1989 and is Executive Vice President and Chief Financial Officer. Mr. Pittenger has served as Chief Financial Officer, Treasurer and Clerk of CTC Communications since 1989. Prior to 1989, Mr. Pittenger was Chief Financial Officer of Comm-Tract Corp., a company that installs and services voice and data communications systems. Mr. Pittenger has over 18 years experience in Telecommunications financial and accounting disciplines. Mr. Pittenger holds a MBA from Babson College Graduate School of Business and an undergraduate degree from Dartmouth College.

Anthony D. Vermette, Vice President, Sales –

Mr. Vermette joined CTC in 1987 and was appointed Vice President, Sales in 1995. Prior to 1995, Mr. Vermette held a variety of positions with CTC including Branch Manager, Director of Market Development, and Vice President Sales and Marketing for New England Operations. He has 17 years of experience in Technology Sales and Service. Mr. Vermette is a graduate of Central Maine Technical College.

Russell B. Oliver, Vice President, Network Operations –

Mr. Oliver joined CTC in 1999 as Vice President, Network Operations where he is responsible for the management, maintenance and growth of the company's Integrated Communications Network, PowerPath Network. Prior to joining CTC, Mr. Oliver was the Vice President of Network Systems Integration for Williams

Communications (WilTel), where he was responsible for NSI operations throughout North America and participated in the selection, acquisition and integration of companies that fit the vision of the Williams Companies. Mr. Oliver has over 16 years of senior level experience in communications, networking, and operations and serves on the Board of Directors of BICSI. In 1995 was awarded the organization's David Blythe Award for Distinguished Service. Mr. Oliver is a graduate of Worcester State College and holds a BS in communications technology.

IV. PUBLIC INTEREST CONSIDERATIONS

The Parties respectfully submit that the proposed Transactions serve the public interest. In particular, the Parties submit that (1) CV Broadband holds the managerial, technical, and financial qualifications to acquire control of CTC Communications; (2) the Transactions will benefit competition in the Tennessee telecommunications market by enabling CTC Communications to resume its growth as an effective competitor in the State; and (3) the Transactions will assure that there is no disruption of service and will be virtually transparent to existing CTC Communications customers.

As demonstrated above, CV Broadband is well qualified, managerially, technically and financially, to control CTC Communications. CV Broadband is 100% owned and operated by the independent holding company, CV Corp., which in turn is 100% owned and operated by CV Broadband's Manager and President, Kenneth D. Peterson, Jr. CV Broadband has substantial financial wherewithal and access to ample capital through its parent, CV Corp. Furthermore, Mr. Peterson is an accomplished manager of diverse domestic and global telecommunications enterprises and other businesses. CV Broadband will also draw upon the managerial and technical abilities of existing CTC Communications executives, who have extensive experience in the telecommunications industry. The above qualifications being considered, approval of the transactions and transfer of control of CTC Communications to CV Broadband serves the public interest.

CTC Communications' current financial position has effectively precluded it from growing as a competitor in the telecommunications market. As a practical matter, although no services to customers have been discontinued or interrupted as a result of CTC Communications' bankruptcy, CTC Communications not been able to compete effectively for new customers or expand its business operations during this period. In particular, CTC Communications' ability to purchase goods and services from suppliers needed to expand its operations has been particularly hampered by its bankruptcy status. Moreover, because some of its competitors have capitalized on the

uncertainty inherent in bankruptcy, CTC Communications has also seen an erosion in its customer base during this time.

The Transactions will further the public interest by fostering competition. The completion of the proposed Transactions will remove the financial and operational factors that currently constrain CTC Communications, thereby allowing CTC Communications to once again compete effectively in the Tennessee telecommunications market and continue to offer alternative high-quality, competitively priced telecommunications service to Tennessee customers. As a result, the proposed Transactions are expected to increase competition in Tennessee and provide Tennessee customers a stronger alternative to incumbent and other competitive long distance service providers.

Existing customers, in particular, will realize significant public interest benefits from the proposed Transactions. The proposed Transactions will allow CTC Communications to avoid liquidation and ensure that existing customers will continue to receive service from CTC Communications without disruption, interruption or customer migration. Those customers will continue to receive the same high quality, affordable telecommunications services that they currently receive. The proposed Transactions are not expected to result in a change in the name under which CTC Communications operates or an impairment of CTC Communications' well-qualified telecommunications management team. CTC Communications will therefore emerge from bankruptcy in a manner that is virtually transparent to existing customers.

Given that CTC Communications' customer base continues to erode and that it is unable to compete effectively as a result of its capital constraints and the uncertainty of its current financial position, the Parties hope to complete the proposed acquisition as quickly as possible. Rapid completion of the Transaction is a critical factor both in order to avoid interruption of service or other inconvenience to existing customers and to ensure that CTC Communications emerges as a viable competitor. Accordingly, the Parties respectfully request that the Authority expedite the processing of this filing and grant any required approval as soon as possible.

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K. David Waddell, Executive Secretary

August 18, 2003

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V. CONCLUSION

For the reasons stated above, the Parties respectfully submit that the public interest, convenience, and necessity would be furthered by completion of the proposed Transactions. Indeed, failure to grant it would directly harm the public interest. In light of the exigent circumstances and, in particular the need to ensure continuity of service to existing customers, the Parties respectfully request expedited review and, to the extent required, approval of this filing to permit the Parties to consummate the proposed Transactions as soon as possible.

Respectfully submitted,



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Counsel for CTC Communications Corp.

EXHIBITS

Exhibit A

Organization Chart

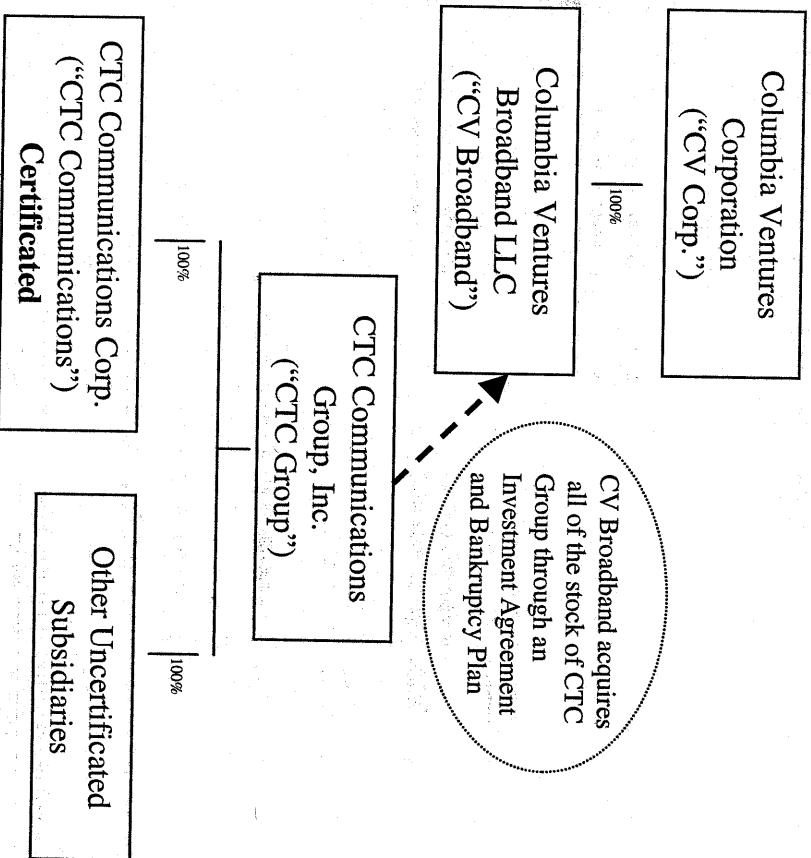
Verifications

Exhibit A

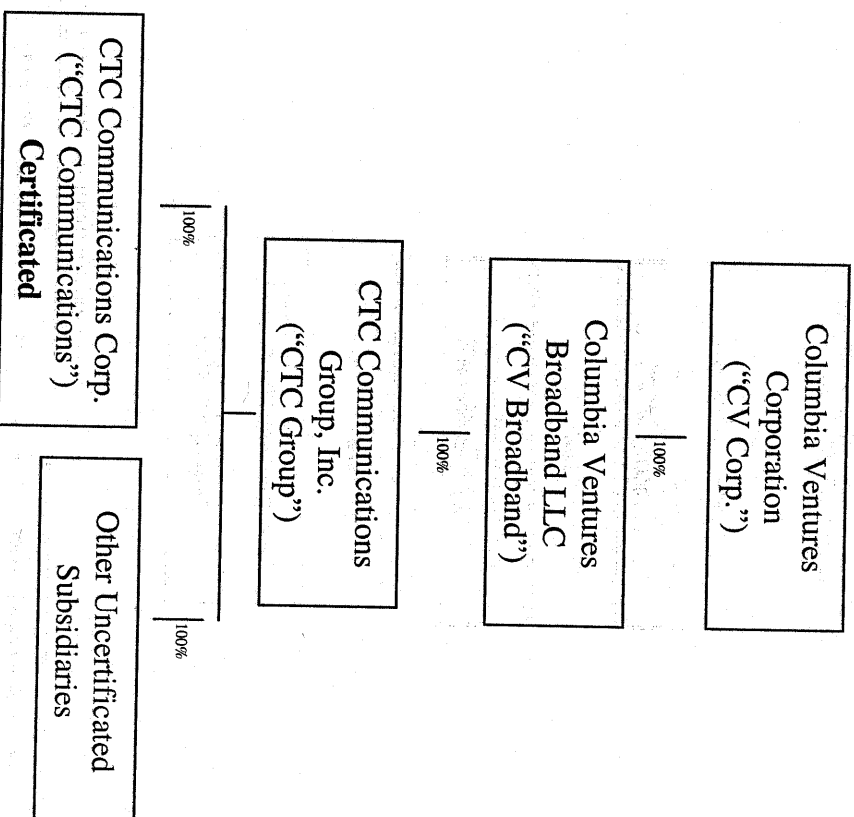
Organization Chart

CV Broadband/CTC Communications Illustrative Chart

Pre-Transaction



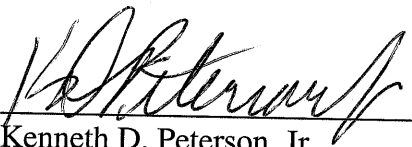
Post-Transaction



Verifications

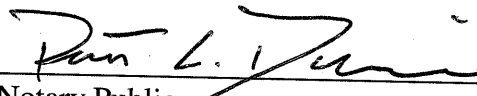
VERIFICATION

I, Kenneth D. Peterson, Jr., acting on behalf of Columbia Ventures Broadband LLC, first being duly sworn upon oath depose and say I am the Manager and President of Columbia Ventures Broadband LLC; that I am authorized to make this statement on its behalf; that I have read the above and foregoing filing and know the contents thereof; and that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.


Kenneth D. Peterson, Jr.
Manager and President
Columbia Ventures Broadband LLC

Commonwealth of Massachusetts)
)
County of Middlesex)

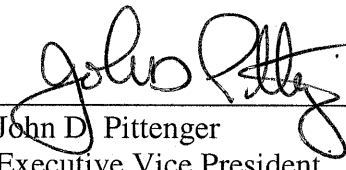
Subscribed and sworn to before me this 13 day of August, 2003.


Notary Public

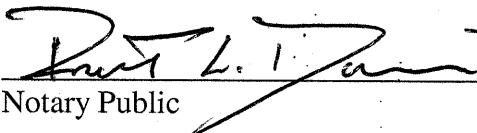
My Commission Expires: 2/14/08

COMMONWEALTH OF MASSACHUSETTS :
COUNTY OF MIDDLESEX : ss.

I, John D. Pittenger, being first duly sworn, state that I am Executive Vice President of CTC Communications Corp., a party to the foregoing filing; that I am authorized to make this Verification on its behalf; and that the contents of the foregoing filing are true and correct to the best of my knowledge, information, and belief.


Name: John D. Pittenger
Title: Executive Vice President
CTC Communications Corp.

Sworn and subscribed before me this 5 day of August, 2003.


Notary Public

My commission expires 2/14/08